



Fund

## **Fund Council**

**5<sup>th</sup> Meeting (FC5)—Washington, DC**

**July 6-8, 2011**

### **Consortium Report**

(Working Document - For Discussion Only)

*Document presented for Agenda Item 1:  
Opening Session*

*Submitted by:*  
Consortium Office

## **CGIAR CONSORTIUM REPORT**

**Fund Council Meeting, July 6 & 7, 2011 – Washington, DC**

In April 2011, the Funders Forum, united with the Fund Council and the Consortium of International Agricultural Research Centers around a common vision for the CGIAR of reducing poverty and hunger, improving human health and nutrition, and enhancing ecosystem resilience through high quality international research, partnership and leadership, and approved the Strategy and Results Framework (SRF), a significant step forward in the process of the reform of the CGIAR. In addition the April Fund Council meeting marked the completion and approval of the major contractual arrangements between the 2 pillars of the new CGIAR, the Fund and the Consortium.

### **Science Portfolio - CRPs**

To rapidly execute on the SRF, immediately following the Fund Council meeting in April, during which eight CRPs, approved by the Consortium Board, were presented, the Consortium Board (CB) continued to receive re-submissions from all the remaining CRPs. Of these, the CB approved an additional two CRPs. Three CRPs were sent back to the Lead centers for further improvements before submission to the Fund Council. The status of CRP approval and submission to date is shown in Table 1.

The Consortium hopes that a review and analysis of all the CRPs submitted to the Fund Council is complete so that a decision can be made on these in this meeting. It also hopes that funds will be secured rapidly, and start flowing to the approved CRPs, especially those already approved as far back as November 2010 by the Fund Council.

There is no doubt that the process of developing the CRP proposals has improved communication and collaboration across centers and scientists in the system, and with partner institutions. Whilst the implementation of the approved CRPs will be the litmus test of improved coordination and effectiveness, the Consortium is optimistic that with time, natural areas of collaboration and mutual interest will emerge that will continue to bring research programs closer together. The Consortium will continue to facilitate dialog and best practice sharing across CRPs, identifying gaps and overlaps, as well as synergy and complementarity. As additional CRPs are approved by the Fund Council and implementation starts, the Consortium will work with these CRPs to facilitate cross fertilization of ideas across CRPs on common issues such as the criteria for the choice of research sites for field work, including the feasibility of having common research sites for some of the CRPs, or the choice of particular research methods. In the same vein, the Consortium has been working with its member centers to facilitate the integration of some of the challenge programs and system wide programs into appropriate CRPs, simplifying the institutional landscape, avoiding redundancies and creating greater research synergies and efficiencies.

**Table 1 – Approval and submission status of the CRPs**

<b>I. CRPs Fully approved by the Fund Council</b>				
<b>CRP number</b>	<b>CRP title</b>	<b>Date of FC submission</b>	<b>Approval date</b>	<b>Disbursement date</b>
CRP 3.3	A Global Rice Science Partnership	July 9, 2010	November 1-2, 2010	No disbursement
CRP 7	Climate Change, Agriculture, and Food Security	September 8, 2010	November 1-2, 2010	No disbursement
CRP 6	Forests, Trees, and Agroforestry	March 3, 2011	April 5-6, 2011	No disbursement
CRP 3.2	MAIZE - Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World	March 12, 2011	April 5-6, 2011	No disbursement
<b>II. CRPs Provisionally approved</b>				
CRP 1.1	Integrated Agricultural Production Systems for the Poor and Vulnerable in Dry Areas	March 4, 2011	April 5-6, 2011 (approved with conditions/provisionally approved)	No disbursement
<b>III. CRPs discussed during last Fund Council (April 5-6, 2011); re-submission requested for July 6-8, 2011 Meeting</b>				
CRP 2	Policies, Institutions, and Markets to Strengthen Food Security and Incomes for the Rural Poor	March 3, 2011		NA
<b>IV. CRPs presented during last Fund Council (April 5-6, 2011); decision deferred to July 6-8, 2011 Meeting, pending ISPC review</b>				
CRP 1.3	Harnessing the development potential of aquatic agricultural systems for the poor and vulnerable	March 13, 2011		
CRP 3.1	WHEAT- Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World	March 12, 2011		
CRP 3.7	More Meat, Milk and Fish by and for the Poor	March 11, 2011		
CRP 5	Water, land and ecosystems	March 12, 2011		
<b>New CRPs submitted to the July 6-8, 2011 Fund Council meeting</b>				
CRP 3.4	Roots, tubers and bananas for Food Security and Income	April 26, 2011		
CRP 4	Agriculture for Improved Nutrition and Health	May 19, 2011		
<b>CRPs in progress (not submitted yet to the Fund Council)</b>				
CRP 1.2	Integrated Systems for the Humid Tropics			
CRP 3.5	Grain Legumes: enhanced food and feed security, nutritional balance, economic growth and soil health for smallholder farmers			
CRP 3.6	Dryland cereals: Food Security and Growth			

**Setting priorities among the CRPs**

The Consortium has been asked by the Funders Forum in April to prepare an action plan for SRF revision, to be presented at GCARD 2012 at a Funders' Forum that will be held back-to-back. This action plan will include a process for setting priorities across the CRPs. Ongoing discussion are continuing on several fronts including with Center, Donors and ISPC on the call for an improved process of priority setting, once the initial portfolio of CRPs is running and funded. At its May Board meeting a very useful brainstorming session on research priority setting was conducted with Centers leadership (Board Chairs and DGs) and with the Consortium Board. Each CRP has already been asked to design a process for setting priorities among its own research components. Different approaches have been used. Some CRPs have set priorities by geographic regions, others by research components and themes and yet others by phasing in and out activities over the life cycle of a CRP. The Board and the centers agreed that it is a responsibility of the Board to set priorities among the CRPs, at portfolio level. In addition a clear collective articulation and agreement among donors, as to their common priorities, would be useful to guide the future discussion. The CB endorsed the steps and direction developed by the CO for designing such a portfolio level priority setting process, based upon best practices in research priority-setting. The CO will implement this process, and it was recognized that this undertaking will take place over the next 18 months, to be finalized by the end of 2012.

**Consortium Office**

Since April the Consortium Office (CO) has made good progress in recruiting a core team of key personnel. By the end of July most key staff will be in place in Montpellier. These include CEO, CSO, Directors of Finance and Communication, Legal Counsel, Senior Information and Knowledge Officer, Analyst and 2 CRP program officers as well as support staff. Delays in recruitment of the Communications director have frustrated the implementation of broad changes in communication, but we hope to have this position filled by end of July. While the staff will be physically in place by the end of July, it will take some time to settle and begin to build trust, relationships, and to lay the foundation and build networks in order to reach full capacity. Some of the key areas the Consortium is involved with are listed below.

**Stability Finance**

In mid-June the Consortium Office submitted to the Fund Office the request for the January-June tranche of the stability funding for centers and for two Challenge Programs. This proposal requires \$57 million of funding from the CGIAR Fund. It is necessary because as of mid-2011 only two CRP are operational. The same exercise will be carried out for the second half of 2011, and we expect a substantially lower demand for stability funds because we hope the majority of the CRP will be underway at some point in the second half of 2011. It is not possible to predict with certainty, however, what is likely to be the financial requirement, as this depends on several factors including, what CRP are approved, when they start, and the pace of implementation once they actually get going.

**Finance Plans**

The Consortium Office has prepared an update of the 2011 financing plan - a status report that summarizes all the elements that will affect funding flows in 2011. This report is available for review at the July Fund Council meeting. It provides the first public overview also of the 2010 funding and financial results at the centers as background and context for the new programs of 2011. The Consortium Office will be pleased to respond to questions of clarification or interpretation of the document at the FC meeting.

Over the summer the Consortium Office will start work on the 2012 financing plan exercise. This is a major item - perhaps the most important financial issue we will grapple with in 2011, as we expect the system to finally morph from the "old" paradigm fully into the new reformed system by 2012. But this will require careful and sensitive planning for finances, because it is still unknown to what degree the appetite for growth in the CRPs can be met by available resources in the Fund.

**Governance**

A working group to strengthen and clarify the implications of the new governance and contractual structures, and operating relationship between the Consortium, CRPs and the Centers was established in May, working closely with Consortium and Center leadership. In addition the Consortium continues to play a role in assisting center Boards to understand and execute their fiduciary responsibilities, by participating in the recent Board Orientation Program held at Bioversity in late June, in which financial responsibility was a major part of the orientation agenda. 3 CO staff, and the Consortium Board Chairman participated in this regard.

**Towards a Consortium Gender Strategy**

The Consortium Board has now approved the general approach to and dimensions of a Consortium level gender strategy. As the strategy is developed it will respond to the recommendations of the Gender Scoping Study, approved in principle by the CB in February, as well as consultations with center gender experts and a focus group of Directors-General of the centers. The overriding goal of the strategy is to strengthen the CRPs and the centers' ability to fulfill the System Level Objectives. A phased approach will be used, in which mainstreaming gender analysis in the CRPs is the first, immediate priority. The gender in the workplace component of the strategy will be phased in. Capacity building will cover both gender analysis and gender in the workplace issues. The Board asked the Consortium Office to further develop this strategy, in consultation with appropriate parts of the system, as well as where necessary with external Gender specialist and consultants. Discussion with gender experts among donors is ongoing, and the possibilities of funding consultants to help with the strategy development and implementation phase are being explored.

**Toward Consortium Monitoring Principles**

A key responsibility of the CB is to monitor the performance of the CRPs, and to report annually to the FC on this performance. This is part of the fiduciary responsibilities of the CB that are stipulated in the Constitution. To enable the CB to discharge this responsibility in a transparent and credible manner, Consortium level monitoring principles are needed. The

Board has approved the consultative process proposed by the Consortium Office, the initial set of principles and the draft template for CRP monitoring reports. The CO is thus proceeding with the finalization of the draft monitoring principles at Consortium level that are going to be discussed with CRPs, centers and other parts of the system. An electronic consultation is planned, in order to remain within the timeline of November 2011, for these principles to be finalized for inclusion in the Common Operational Framework and endorsement by the Fund Council.

Concerns regarding the need to avoid duplication and reduce bureaucracy and transaction costs were expressed on monitoring and evaluation activities, in which the CB, the FC, and the IEA have important roles to play. The CB supports Option 1 (Unified Independent Evaluation Office) in the Consultants' report as the one that provides greater "efficiency gains" for the CGIAR system as a whole. A paper which describes the Consortium expectations on harmonized reporting has been circulated to the Fund Office for distribution, and the Consortium looks forward to receiving a proposed combination of minimum requirements from the FC for harmonized reporting, so that this may be incorporated into the COF and M&E process.

The Consortium level monitoring principles, currently under development by the Consortium Office, have benefited from the discussions held by the CO with the two consultants engaged by the FC to design the IEA. These discussions have ensured that the monitoring system at Consortium level will be fully aligned with the IEA.

### **Gene-Banks**

At the last fund council meeting in April, a proposal submitted by the Consortium as an interim measure to secure the funding for maintaining the gene-banks, one of the most valuable assets of the CGIAR, was approved and funded for 2011. While in the longer term, donor support for an endowment for the gene-banks in perpetuity through the Global Crop Diversity Trust (GCDDT) provides a more permanent solution, urgent steps need to be taken immediately to fund the maintenance of the Gene-banks until the trust fund-level reaches adequate size.

The Consortium met recently with all center gene-bank managers, DDG's of research, and the Global Crop Diversity Trust. The Consortium, in conjunction with GCDDT, will coordinate the development of a proposal for an additional 3-5 years of funding (starting in 2012) and pending approval by the Consortium Board submit for consideration and approval at the November Fund Council meeting. The proposal will follow closely the elements and the conclusions of the 2010 costing study.

### **Genetic Resources Scoping Study**

The CO worked with a focus group of Directors-General to devise options of the implementation of the recommendations of the scoping study on genetic resources. The CB approved the general direction of the CO's proposal for a simple option and requested the CO to continue working with the centers to implement this option. The proposal takes on board the most important recommendations from the scoping study that research gaps be

addressed through existing and relevant CRPS but not through the creation of a separate platform. With respect to the role the Genetic Resources and Policy Committee (GRPC) has been playing in the System, it was agreed that the CO will examine the costs and benefits of an advisory committee along the lines of GRPC to provide strategic policy support the CB.

### **Legal Documents**

The approval at the FC meeting April of the Joint Agreement (JA) after 9 months of negotiations and hard work by the both Fund and Consortium legal teams removed roadblocks required for finalizing other downstream contractual agreements. At a meeting of Centers and the Consortium, and after several rounds of negotiations, agreement was reached between the Consortium and the Lead Centers, on the Form of the Program Implementation Agreement (PIA). This was the final hurdle in unlocking access to funding from Windows 1 and 2. The Joint Agreement was signed shortly afterward, and CPAs, PIA, and funding disbursement instructions for the first 4 CRPs are currently in the final stages of preparation.

### **International Organization Status**

A major step in the reform process is the establishment of the Consortium as an International Organization (IO). For this purpose, the Consortium has been actively engaged over the past few months in discussions over the text of the Treaty establishing the Consortium as an IO with legal experts in international public law from the World Bank, FAO, the French Foreign Ministry, and other potential signatory countries including Hungary, Morocco, Sweden, and the UK. Following this extensive consultation, it appeared that the previous draft of the Treaty (sent to Centers and to the 64 donors in October 2010) needed to be modified on a number of points in order to accelerate the establishment of the IO.

Modifications to the previous draft of the Treaty include reducing the number of countries whose signature/ ratification is needed for the Treaty to enter into effect (and therefore for the IO to be formally established) to the minimum number that is legally required, i.e. 2 countries; reducing the number of authentic languages of the Treaty to English and French (while allowing official translations in other languages to be made); facilitating the process for amending the Constitution. We believe that the text of the Treaty is now much improved. It may still however be subject to changes as negotiations with potential signatory countries are still ongoing.

The Constitution of the Consortium as an IO will be attached to this Treaty. For this purpose, the current Constitution (annexed to the agreement establishing the Consortium as a joint venture of April 2010) ("JV Constitution") needed to be slightly amended to reflect the change in status from a JV to an IO. After consultations with the FC on the proposed new "IO Constitution" the amendments were approved by the Consortium Board, and then according to governance processes, were approved by the required majority of Centers. The new IO Constitution is effective only as of the entry into force of the Treaty (i.e. as of the establishment of the Consortium as an IO). The current JV Constitution would therefore continue to apply until such time.



**Communication and Outreach**

On May 23<sup>rd</sup>, the CB Chair met with the President of the World Bank on the subject of the reform as a way of generating greater involvement of the Bank. The meeting was very beneficial and the leaders shared a common desire to make a lasting impact and commitment to long term agricultural research. The World Bank President discussed his desire for greater involvement, and support by the Bank in creating a better global environment for international agricultural research including a significant expansion of its funding. He also pledged ongoing support for the CGIAR reform, and the leaders discussed the importance of the CGIARs advocacy role in the G20, especially with Finance Ministers. A similar message will be taken to the G20 summit in September. Various members of the Consortium are involved in work leading up to the G20 summit. The Consortium continues to build strong relationships with other sectors and strategic partners. This includes other international organizations and forum, civil society organizations, academic institutes, private sector and farmer apex bodies.

At the end of May, more than 35 communications professionals from across the CGIAR, including from the Fund Office met at ILRI (Nairobi) to discuss communication, collaboration, and information and knowledge sharing within the Consortium in support of the Strategic Results Framework (SRF) and CGIAR Research Programs (CRPs). The focus was to identify collective action opportunities for communication in support of resource mobilization, of re-positioning the CGIAR and the key issues it engages in, of creating a framework for integration across the CGIAR, and of enhancing stakeholder engagement. In the five-day interactive and action-oriented convening, (which included, via ICT tools, participants who could not travel there) participants discussed and made recommendations that will go toward the development and execution of a system wide communications strategy. The topics included providing a better understanding and clarity of the structure and implications of the new CGIAR, defining key principles for collective communication within the CGIAR, discussions around tactics and tools, focusing on the opportunities for collective action, action points and recommendations for re-development of the web-presence (including [www.cgiar.org](http://www.cgiar.org)), branding and taglines, media and events presence, collaboration platforms, data and information sharing and social media. In addition the convening explored collective actions around resources for communications, sharing of contacts and expertise and other information, and finally strengthening a communications community and commitment to collective action across the CGIAR.

**Consortium Intellectual Asset Policy**

At the Third Fund Council Meeting in November 2010, the Fund Council requested that the Consortium create an ad-hoc working group of intellectual property experts, including Donors, to develop a briefing paper on intellectual property (IP) and to propose a set of principles on the management of intellectual assets to be applied across the Consortium. For this purpose, the Fund Council proposed the participation of USAID, BMGF, FAO, EIARD and the WB as the informal IP Donors' group. After consulting with this IP Donors' group, Centers (DGs and IP managers/focal points) and other internal and external IP experts, and after a long process of iterations progressively incorporating the feedback received, the Consortium submitted, in March 2011, the two following draft documents for official



feedback from FC members and their respective constituencies, Centers and external stakeholders:

- the “*Consortium Guiding Principles on the Management of Intellectual Assets*” (which applies to the Consortium and its Member Centers);
- and its companion, a briefing paper entitled “*The Intersection of Public Goods, Intellectual Property Rights and Partnerships: Maximizing Impact for the Poor*”.

The feedback received was generally very positive, the Consortium IA Principles having drawn a large consensus among Centers, Donors and external stakeholders. All comments received were carefully considered by the Consortium and taken on-board wherever possible in the final version. The Consortium responded individually to each Donor’s comments. The final version of the Consortium IA Principles was adopted by the Consortium Board at its last meeting on May 6, 2011. This is a major breakthrough as this has been attempted several times before, and this is the first such policy in the 40 year history of the CGIAR. The document, “the *Consortium Policy on the Management of Intellectual Assets*” has been circulated to the Fund Office for distribution to Donors.

The Consortium policy document is too detailed to be included as part of the common, system-wide processes that make up the Common Operational Framework (COF). Therefore, this document was adopted as the internal policy of the Consortium (applying to the Consortium and the Centers’ SRF-related activities including the CRPs) in accordance with the Consortium Board’s authority under the Constitution to adopt policy, and not as the system-wide CGIAR IA Principles to be included in the COF. In a teleconference following this decision, the Fund Office agreed with the Consortium that the document to be included in the COF should be a shorter, higher-level document with a broader scope detailed below.

### **CGIAR Intellectual Asset Principles (for inclusion in the COF)**

The Fund Office and the Consortium Office agreed that the CGIAR IA Principles document to be included in the COF, and which is to be jointly approved by the Consortium and the FC, should be a high-level document and contain the Principles on which the Donors have reached consensus and that can be applied as common processes across the entire CGIAR system. The CGIAR IA Principles should therefore apply to any entity using CGIAR funds to carry out activities under the SRF, not just to the Consortium and the Centers. The revised draft CGIAR IA Principles is to be presented for discussion only (not for decision) at this meeting and the deadline to submit a final document to the FC for adoption is September 30, 2011 (as per article 9.2 of the Joint Agreement).

### **Conclusion**

By the end of this 5<sup>th</sup> Fund Council meeting, all except 3 of the CRPs will have been submitted for consideration and approval by the Fund Council. Sincere praise must be given to many scientists, support and administration staff (as well as many external reviewers) from the over 150 locations where the 15 CGIAR Consortium Centers operate, for getting these submitted in such a timely manner. In developing these proposals, desired outcomes of the reform are already taking shape, and more than ever scientists from centers, and

among partner institutions of both the North and South are working closer together than ever before around common research objectives.

The Consortium is excited to be able to present this new research portfolio to the Fund Council, in order to urgently achieve the 4 system level objectives (SLOs) laid out in the SRF, that will guide and measure the impact of the CGIAR – reducing rural poverty, improving food security, improving nutrition and health, and sustainably managing natural resources. Effectively meeting these SLOs will require better integration across CGIAR core competencies, strengthening synergies, and avoiding overlaps. In addition, it will require many new and innovative partnerships at all stages of R&D, as well as creative partnerships to ensure lasting change through improved delivery of products, knowledge and ultimately impact. Finally, it will require increased and sustained donor resource commitment. We are committed to the reform, and look forward to your ongoing support.